

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al
Debtor

Case No. 01-01139 Jointly Administered
Reporting Period: May 2003

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date



Signature of Authorized Individual*

25 JUNE 2003

Date

Robert M. Tarola

Printed Name of Authorized Individual

Senior Vice President and
Chief Financial Officer

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

W. R. Grace & Co.
Monthly Financial Report
May 31, 2003

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Monthly Operating Report

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None

Forward-Looking Information

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

Statement of Confidentiality

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

Monthly Operating Report

Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	J.P. Morgan Chase Disbursement 9101013572	Wachovia Lockbox 6619039102	First Union Deposit Acct 2199500021812	First Union Payroll 2079900003615	Merrill Lynch Investment 3323735	Merrill Lynch Investment 3343175	J.P. Morgan Chase Holding 323228141
CASH BEGINNING OF MONTH	\$ 71,087	\$ -	\$ (0)	\$ 0	\$ 30,934,158	\$ 0	\$ 731,813
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES			8,864,807		19,785		1,513
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	163,926			1,989,180	32,900,000		
MISCELLANEOUS							
TOTAL RECEIPTS	163,926	-	8,864,807	1,989,180	32,919,785	-	1,513
DISBURSEMENTS							
PAYROLL				1,299,274			
PAYROLL TAXES				681,056			
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	191,873						
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			8,837,675		41,700,000		
MISCELLANEOUS			27,132	8,849			
TOTAL DISBURSEMENTS	191,873	-	8,864,807	1,989,180	41,700,000	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(27,947)	-	-	-	(8,880,215)	-	1,513
CASH - END OF MONTH	43,140	-	(0)	0	22,053,943	0	733,326

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	J.P. Morgan Chase Concentration 15001257	Bank of America Lockbox 8188203114	First Union Concentration 2000000282172	First Union Payroll 2079900018741	First Union Petty Cash 2079900005600	Citic Bank Payroll 15502015738	First Union Lobby Medical 20799000065006
CASH BEGINNING OF MONTH	\$ 485,122	\$ 781,731	\$ 0	\$ -	\$ -	\$ 0	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES		38,766,557					
ACCOUNTS RECEIVABLE - INTERCOMPANY		406,945					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES	2,340,072						
TRANSFERS IN - NONFILING ENTITIES	9,958,831						
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	124,838,198		81,900,000	5,546,827	6,114		138,987
MISCELLANEOUS							
TOTAL RECEIPTS	137,137,101	39,173,502	81,900,000	5,546,827	6,114	-	138,987
DISBURSEMENTS							
PAYROLL				3,675,396			
PAYROLL TAXES				1,857,088			
TRADE PAYABLES - THIRD PARTIES	750,190						
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES	254,194						
TRANSFERS OUT - THIRD PARTIES	4,713,210	782,415			5,013		
TRANSFERS OUT - NONFILING ENTITIES	7,670,000						
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	123,748,314	37,729,009	81,560,693				
MISCELLANEOUS			339,307	14,343	1,101		138,987
TOTAL DISBURSEMENTS	137,135,909	38,511,424	81,900,000	5,546,827	6,114	-	138,987
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	1,192	662,078	-	-	-	-	-
CASH - END OF MONTH	486,314	1,423,809	0	-	-	0	-

Note #1

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Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554	Wachovia Lockbox 1866-062535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	Allfirst Payroll 16298631	SunTrust Payroll 00000141309
CASH BEGINNING OF MONTH	\$ 0	\$ -	\$ 0	\$ (0)	\$ 0	\$ 1,009,795	\$ 45,273
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES			31,081,242				
ACCOUNTS RECEIVABLE - INTERCOMPANY			10,080,515				
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES							
TRANSFERS IN - NONFILING ENTITIES			229,000				
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	37,429,809	1,429,557		5,464,748	29,555,472	3,489,075	
MISCELLANEOUS	1,520,337	112,320		544,411	33,079		
TOTAL RECEIPTS	38,959,145	1,541,876	41,390,757	6,009,159	29,588,551	3,489,075	-
DISBURSEMENTS							
PAYROLL		1,008,360				2,698,850	
PAYROLL TAXES		535,517				1,669,787	
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	38,959,145			6,009,159	29,588,551		
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			38,571,514				
MISCELLANEOUS			4,819,243				
TOTAL DISBURSEMENTS	38,959,145	1,541,876	41,390,757	6,009,159	29,588,551	4,368,647	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-	0	(0)	(879,572)	-
CASH - END OF MONTH	0	-	0	0	0	130,223	45,273

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	PNC 4002641360	Hibernia Natl Disbursement 101391210	Bank of America Payroll 0000 0002 2137	Alfred Payroll 15296657	First Union Petty Cash 2040000016900	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172
CASH BEGINNING OF MONTH	\$ 24,671	\$ 10,000	\$ -	\$ 215,129	\$ 56,091	\$ 2,328	\$ 417,158
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES						14,317	91,557
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES						137,557	
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				5,189,617			
MISCELLANEOUS							
TOTAL RECEIPTS	-	-	-	5,189,617	-	151,874	91,557
DISBURSEMENTS							
PAYROLL				3,310,498		6,136	
PAYROLL TAXES				1,879,119		26,009	
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES						80,740	138,719
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS						7,489	16,642
TOTAL DISBURSEMENTS	-	-	-	5,189,617	-	120,374	155,361
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-	-	-	31,501	(63,804)
CASH - END OF MONTH	24,671	10,000	-	215,129	56,091	33,827	353,353

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Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	Banco de Credito Time Deposit 0015820	Bank of Boston Operating Acct 0154519	Bank of Boston Operating Acct 0154424	Cash in Transit
CASH BEGINNING OF MONTH	\$ 10,000	\$ 2,018	\$ 1,286,871	\$ 0
RECEIPTS				
ACCOUNTS RECEIVABLE - THIRD PARTIES			274,985	1,253,887
ACCOUNTS RECEIVABLE - INTERCOMPANY				
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				
DIP BORROWINGS				
TRANSFERS IN - THIRD PARTIES		10,015	10,000	
TRANSFERS IN - NONFILING ENTITIES				
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				
MISCELLANEOUS				
TOTAL RECEIPTS	-	10,015	284,985	1,253,887
DISBURSEMENTS				
PAYROLL		1,344		
PAYROLL TAXES		1,259		
TRADE PAYABLES - THIRD PARTIES				
TRADE PAYABLES - INTERCOMPANY				
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				
DIP PRINCIPAL REPAYMENTS				
DIP INTEREST AND USAGE FEES				
TRANSFERS OUT - THIRD PARTIES	10,000		10,000	
TRANSFERS OUT - NONFILING ENTITIES				
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				
MISCELLANEOUS		4,934	13,134	
TOTAL DISBURSEMENTS	10,000	7,537	23,134	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(10,000)	2,478	261,851	1,253,887
CASH - END OF MONTH	-	4,496	1,548,522	1,253,887

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	Cash on Hand	Other	CURRENT MONTH	
			ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 49,425	\$ 181,088	\$ 36,283,557	
RECEIPTS				
ACCOUNTS RECEIVABLE - THIRD PARTIES			71,482,544	
ACCOUNTS RECEIVABLE - INTERCOMPANY			10,487,450	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	
DIP BORROWINGS			-	
TRANSFERS IN - THIRD PARTIES			11,383,750	
TRANSFERS IN - NONFILING ENTITIES			10,187,831	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			329,941,509	
MISCELLANEOUS		364,388	2,583,535	
TOTAL RECEIPTS	-	364,388	436,066,628	-
DISBURSEMENTS				
PAYROLL			11,997,858	
PAYROLL TAXES			6,649,844	
TRADE PAYABLES - THIRD PARTIES			750,190	
TRADE PAYABLES - INTERCOMPANY			-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI			-	
DIP PRINCIPAL REPAYMENTS			-	
DIP INTEREST AND USAGE FEES			254,194	
TRANSFERS OUT - THIRD PARTIES			80,488,826	
TRANSFERS OUT - NONFILING ENTITIES			7,670,000	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			330,147,206	
MISCELLANEOUS			5,391,162	
TOTAL DISBURSEMENTS	-	-	443,349,280	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	364,388	(7,282,652)	-
CASH - END OF MONTH	49,425	545,476	29,010,905	\$ -

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

Chart 1

W.R. Grace & Co.			
Schedule of Cash Receipts and Disbursements			
MOR-1			
May 2003			
	JP Morgan Chase Pass Through 323681963	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ (0)	\$ (0)	
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ (0)	\$ (0)	\$ -

Remedium Group, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	JP Morgan Chase Depository/Wire 323983842	JP Morgan Chase Disbursement 801831885	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ (7,496)	\$ -	\$ (7,496)	
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES				-	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		205,696	608	206,304	
TOTAL RECEIPTS	-	205,696	608	206,304	
DISBURSEMENTS					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES		324,037		324,037	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	-	324,037	-	324,037	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	(118,340)	608	(117,732)	
CASH - END OF MONTH	-	(125,836)	608	(125,228)	

Chart 1

Darex Puerto Rico, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	Citibank Operating Acct 300153011	Petty Cash	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 3,917,960	\$ 1,500	\$ (51,673)	\$ 3,867,787	
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES	421,956			421,956	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES				-	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				-	
TOTAL RECEIPTS	421,956	-	-	421,956	-
DISBURSEMENTS					
PAYROLL	10,247			10,247	
PAYROLL TAXES	3,842			3,842	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES				-	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	185,369			185,369	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	199,458	-	-	199,458	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	222,498	-	-	222,498	-
CASH - END OF MONTH	4,140,458	1,500	(51,673)	4,090,285	-

Chart 1

CC Partners Schedule of Cash Receipts and Disbursements MOR-1 May 2003			
	First Union Deposit Acct. 2198500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Chart 1

Kootenai Development Company Schedule of Cash Receipts and Disbursements MOR-1 May 2003			
	First National Bank of Montana 1049097	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 29,162	\$ 29,162	
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 29,162	\$ 29,162	-

Chart 1

Dewey & Almy, LLC			
Schedule of Cash Receipts and Disbursements			
MOR-1			
May 2003			
	Miscellaneous	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 1,000	\$ 1,000	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 1,000	\$ 1,000	-

Grace Europe, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

May 2003

	Barclays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Chart 1

Gloucester New Communities Company, Inc. Schedule of Cash Receipts and Disbursements MOR-1 May 2003			
	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 500	\$ 500	-

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[illegible]

Chart 2

W. R. Grace & Co. - Conn
Bank Reconciliations
April 2003
MOR-1

	First Union Petty Cash 2079900005800	Citic Bank Payroll 15502015738	First Union Libby Medical 2079900085006	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554
Balance per books	\$ -	\$ -	\$ -	\$ -	\$ -
Bank Balance	-	-	-	-	-
(+) Deposits in transit					
(-) Outstanding checks	(486)			(7,640,468)	(63,360)
Other	486			7,640,468	63,360
Adjusted bank balance	\$ (0)	\$ -	\$ -	\$ -	\$ -
Deposits in Transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
Outstanding Checks	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount
	12547 (18)			Detail Available	Detail Available
	18789 (60)				
	23329 (78)				
	25104 (170)				
	33408 (24)				
	33446 (50)				
	33482 (81)				
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books	130				123,152
Payroll tax payments not recorded					
Unreconciled bank activity	454			30,559	
Unreconciled ledger activity	1,118			(997,939)	(36,972)
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass	(1,215)			8,807,846	(22,820)
Unrecorded deposit					

[illegible]

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	PNC 4002841380	Hibernia Natl Disbursement 101391210	Bank of America Payroll 0000 0002 2137	Allfirst Payroll 16298057	First Union Petty Cash 2040000018900
Balance per books	\$ 24,871	\$ 10,000	\$ -	\$ 215,129	\$ 56,091
Bank Balance	24,848	10,000	-	265,815	40,247
(+) Deposits in transit			-		278
(-) Outstanding checks			-	(64,214)	
Other	23		-	13,528	15,568
Adjusted bank balance	\$ 24,871	\$ 10,000	\$ -	\$ 215,129	\$ 56,091
Deposits in Transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
Outstanding Checks	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount
				Detail Available	Detail Available
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books	23				
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					

	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172	Banco de Credito Time Deposit	Bank of Boston Operating Acct 0154519	Bank of Boston Operating Acct 0154424
Balance per books	(Soles) 8,062	(US\$) \$ 417,158	(US\$) \$ 10,000	(Soles) 6,994	(US\$) \$ 1,288,671
Bank Balance	8,062	417,158	10,000	6,994	1,287,754
(+) Deposits in transit					18,917
(-) Outstanding checks					
Other					
Adjusted bank balance	8,062	\$ 417,158	\$ 10,000	6,994	\$ 1,288,671
Deposits in Transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
					30-Apr-03 4,431 30-Apr-03 14,486
Outstanding Checks	Ck. # Amount	Ck. # Amount	Ck. # Amount	Ck. # Amount	Ck. # Amount
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					

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Chart 2

Remedium Group, Inc. Bank Reconciliations April 2003 MOR-1				
	JP Morgan Chase Pass Through 323883842		JP Morgan Chase Disbursement 601831985	
Balance per books	\$ -		\$ (7,496)	
Bank Balance				
(+) Deposits in transit				
(-) Outstanding checks			(7,496)	
Other				
Adjusted bank balance	\$ -		\$ (7,496)	
Deposits in Transit	Date	Amount	Date	Amount
Outstanding Checks	Ck. #	Amount	Ck. #	Amount
			4611	(525)
			4629	(450)
			4669	(127)
			4675	(2,647)
			4677	(295)
			4680	(23)
			4681	(250)
			4682	(75)
			4684	(30)
			4689	(275)
			4692	(160)
			4694	(60)
			4695	(1,620)
			4696	(170)
			4697	(790)
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity				
Returned item adjustment				
Payroll activity in transit				
Petty cash funds				

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Chart 2

Darex Puerto Rico, Inc. Bank Reconciliations April 2003 MOR-1		
	Chibank Operating Acct 300153011	
Balance per books	\$ 3,917,960	
Bank Balance	4,335,501	
(+) Deposits in transit	75,053	
(-) Outstanding checks	(488,672)	
Other	(5,922)	
Adjusted bank balance	\$ 3,917,960	
Deposits in Transit	Date	Amt
	26-Mar-03	29,297
	27-Mar-03	45,756
Outstanding Checks	Ck. #	Amt
	15461	(27)
	15904	(728)
	16259	(10,505)
	16268	(78)
	16272	(550)
	16276	(400,000)
	16277	(25,000)
	16286	(4,903)
	16287	(125)
	16288	(3,000)
	16289	(1,107)
	16291	(106)
	16292	(100)
	16293	(855)
	16300	(6,452)
	16301	(1,296)
	16302	(5,311)
	16303	(15,533)
	16304	(95)
	16305	(990)
	16306	(500)
	16307	(175)
	16261	(3,496)
	900602	(169)
	900603	(179)
	900603	(185)
	900604	(169)
	various	(5,039)
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		50
Payroll tax payments not recorded		
Unreconciled bank activity		(4,967)
Unreconciled ledger activity		(1,005)
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

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W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2003

	W.R. Grace & Co. - Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe Inc.	L.B. Realty, Inc.
Net sales to third parties	\$ 70,104,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	15,954,125	-	-	-	-	-	-	-	-
Net sales to filing entities	141,019	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,261,767	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(4,782,207)	4,158,477	729,882	19,173	845,233	-	2,602,915	-	-
Other income	874,474	-	-	-	-	-	-	-	-
	83,553,742	4,158,477	729,882	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	46,840,126	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	11,805,526	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	108,218	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	23,594,424	-	6,015	-	-	35,174	-	-	-
Research and development expenses	3,432,420	-	-	-	-	-	-	-	-
Depreciation and amortization	5,122,168	-	2,318	-	-	-	-	-	-
Interest expense	1,384,790	-	-	-	-	-	-	-	-
	92,087,673	-	8,333	-	-	35,174	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(8,533,931)	4,158,477	721,549	19,173	845,233	(35,174)	2,602,915	-	-
Chapter 11 reorganization expenses, net	(3,282,290)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	3,471,628	(1,455,467)	(252,542)	(6,710)	(295,831)	17,828	(911,020)	(2,980)	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net Income (loss)	\$ (8,344,593)	\$2,703,010	\$ 469,007	\$ 12,463	\$ 549,402	\$ (17,346)	\$1,691,895	\$ (2,980)	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2003

	Grace International Holdings, Inc.	Darax Puerto Rico, Inc.	Alewite Land Corporation	Alewite Boston, Ltd.	Five Alewite Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.	Kootenai Development Company
Net sales to third parties	\$ -	\$ 591,909	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	2,289,678	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(3,043,578)	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
	(753,900)	591,909	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	295,390	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	27,473	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	18,870	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	7,629	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
	-	349,362	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(753,900)	242,548	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net (Provision for) benefit from income taxes	222,911	(84,892)	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ (530,989)	\$ 157,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2003

	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental Inc.	Grace Chemical Company of Cuba	Southern Oil Resin & Fiberglass, Inc.	Guanica Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net Income (loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2003

	Monolith Enterprises Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.	W.R. Grace Land Corporation	G-C Management Inc.	Water Street Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net (Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net Income (loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2003

	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Glocester Now Communities Company, Inc.	Creative Food N. Fun Company	Grace PAR Corporation	Grace A-B Inc.	Hemco International Inc.	GPC Thomasville Corp.	Grace Ventures Corp.	Grace Energy Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2003

	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.	Coalgrace II Inc.	Gracecoal II Inc.	Gracecoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2003

	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,696,474
Net sales to non-filing entities	-	-	-	-	-	15,954,125
Net sales to filing entities	-	-	-	(141,019)	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	3,551,444
Interest and royalties from filing entities, net	-	-	-	(529,894)	-	-
Other income	-	-	-	-	-	874,474
	-	-	-	(670,913)	-	91,076,518
Cost of goods sold to third parties	-	-	-	-	-	47,135,516
Cost of goods sold to non-filing entities	-	-	-	-	-	11,605,526
Cost of goods sold to filing entities	-	-	-	(135,691)	-	-
Selling, general and administrative expenses	-	-	-	-	-	23,654,483
Research and development expenses	-	-	-	-	-	3,432,420
Depreciation and amortization	-	-	-	-	-	5,132,115
Interest expense	-	-	-	-	-	1,384,790
	-	-	-	(135,691)	-	92,344,850
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	(535,222)	-	(1,268,333)
Chapter 11 reorganization expenses, net	-	-	-	-	-	(3,282,290)
(Provision for) benefit from income taxes	-	-	-	-	-	702,924
Minority interest in income of subsidiary	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	2,546,788	2,546,788
Net income (loss)	\$ -	\$ -	\$ -	\$ (535,222)	\$ 2,546,788	\$ (1,300,910)

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	W.R. Grace & Co. Conn.	W.R. Grace & Co.	Remediation Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 29,010,905	\$ -	\$ (125,228)	\$ -	\$ -	\$ -
Accounts and other receivables, net	111,456,529	-	23,965	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	324,127,668	(421,757,413)	(2,526,993)	12,894,121	(37,606,898)	(9,450,009)
Inventories	80,124,203	-	-	-	-	-
Deferred income taxes	25,967,266	-	1,562,441	-	-	-
Other current assets	19,140,302	-	-	-	-	-
Total Current Assets	589,826,874	(421,757,413)	(1,065,816)	12,894,121	(37,606,898)	(9,450,009)
Properties and equipment, net	387,228,112	-	473,881	-	-	-
Goodwill	14,499,090	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	86,842,893	-	-	-	-	-
Deferred income taxes	736,408,898	-	44,101,884	-	-	-
Asbestos-related insurance receivable	272,389,808	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,109,739,402)	824,986,199	126,320,493	4,687,315	202,446,722	-
Investment in filing and non-filing entities	833,167,133	241,512,111	-	-	-	-
Other assets	86,668,451	-	-	-	-	-
Total Assets	\$ 1,897,291,857	\$ 644,740,897	\$ 169,830,442	\$ 17,581,436	\$ 164,839,824	\$ (9,450,009)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ 30,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	41,832,886	-	0	-	-	-
Income taxes payable	1	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	0	-	-	-	-	-
Other current liabilities	57,317,115	-	33,699	-	-	18,606
Total Current Liabilities	129,150,002	-	33,699	-	-	18,606
Long-term debt - DIP facility	(438,134)	-	-	-	-	-
Deferred income taxes	150,410,596	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	(0)	-	-	-	-	-
Other liabilities	240,278,435	0	0	-	0	-
Total Liabilities Not Subject to Compromise	519,400,899	0	33,700	-	0	18,606
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	543,643,312	-	-	-	-	-
Accounts payable	31,389,669	-	684,719	-	-	-
Income taxes payable	203,957,819	7,623,822	548,439	28,441	1,479,157	(19,695)
Asbestos-related liability	969,709,634	-	-	-	-	-
Other liabilities	391,521,515	188,091	130,469,499	-	32,217,659	-
Total Liabilities Subject to Compromise	2,140,221,950	7,811,913	131,702,657	28,441	33,696,816	(19,695)
Total Liabilities	2,659,622,849	7,811,913	131,736,357	28,441	33,696,816	(1,089)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,980	769,798	12,223	1,000	-	1,000
Paid in capital	142,809,878	428,598,673	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(646,799,180)	343,651,521	28,357,414	(16,500,471)	75,131,430	(9,449,919)
Treasury stock, at cost	-	(138,091,108)	-	-	-	-
Accumulated other comprehensive loss	(342,310,649)	100	-	-	-	-
Total Shareholders' Equity (Deficit)	(762,330,992)	636,928,984	38,094,086	17,552,996	131,143,007	(9,448,919)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 1,897,291,857	\$ 644,740,897	\$ 169,830,442	\$ 17,581,436	\$ 164,839,824	\$ (9,450,009)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	Litigation Management, Inc.	Grace Europe, Inc.	LEB Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewite Land Corporation
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 4,090,285	\$ -
Accounts and other receivables, net	-	82,700	-	-	2,851,123	-
Receivables from/(payable to) filing and non-filing entities, net	(386,938,310)	5,681,100	140,524,854	(84,749,767)	(1,306,843)	(5,247,495)
Inventories	-	(0)	-	-	174,669	-
Deferred income taxes	-	82,103	-	-	12,119	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(386,938,310)	5,845,903	140,524,854	(84,749,767)	5,821,354	(5,247,495)
Properties and equipment, net	-	-	-	-	788,761	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	38,161	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	448,118,097	(3,272,113)	-	68,137,710	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Other assets	-	54,000	-	-	207,410	1,228,381
Total Assets	\$ 61,179,788	\$ 2,665,951	\$ 140,524,854	\$ 42,057,408	\$ 6,817,525	\$ (4,019,113)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	22,232	-	23,688	268,081	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	350,303	-	-	207,747	-
Total Current Liabilities	-	372,535	-	23,688	475,828	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	0	-	-	146,497	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	372,535	-	23,688	622,325	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	133,907	-
Accounts payable	-	-	-	-	1,185,298	(300)
Income taxes payable	4,554,891	(885,265)	(150)	(1,192,312)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	234,579	-	-	-	-
Total Liabilities Subject to Compromise	4,554,891	(650,686)	(150)	(1,192,312)	1,319,205	(300)
Total Liabilities	4,554,891	(278,150)	(150)	(1,168,624)	1,941,530	(300)
Shareholders' Equity (Deficit)						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	46,837,489	-	274,608
(Accumulated deficit)/Retained earnings	85,891,194	(436,444)	115,168,011	(37,848,310)	4,874,995	(4,293,619)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	3,379,546	-	34,235,853	-	-
Total Shareholders' Equity (Deficit)	56,624,897	2,944,102	140,525,004	43,226,031	4,875,995	(4,018,813)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 61,179,788	\$ 2,665,951	\$ 140,524,854	\$ 42,057,408	\$ 6,817,525	\$ (4,019,113)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	Alewife Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(7,656)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(2,143,580)	-	(57,817,172)	(110)	(330)	(7,656)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 56,003,921
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(210)	-	-	(110)	(330)	(816)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(210)	-	-	(110)	(330)	(816)
Total Liabilities	(210)	-	-	(110)	(330)	(816)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,504,737
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	56,004,737
Total Liabilities and Shareholders' Equity (Deficit)	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 56,003,921

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 29,162	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(10,053)	(26,614,022)	57,347,191	(7,283,826)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	6,320	-	-	-	-	-
Total Current Assets	25,429	(26,614,022)	57,347,191	(7,283,826)	-	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	1,630,940	-	-	-	-	-
Total Assets	\$ 1,656,369	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	551,649	5,000	-	-	-	-
Total Current Liabilities	551,649	5,000	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	551,649	5,000	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(15)	(195)	10,346,794	(230)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(15)	(195)	10,346,794	(230)	-	-
Total Liabilities	551,634	4,805	10,346,794	(230)	-	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	5,150	-	-
Paid in capital	1,104,954	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	(219)	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	(99,212)	-	-	-
Total Shareholders' Equity (Deficit)	1,104,735	(26,618,827)	47,000,396	(7,283,596)	-	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 1,656,369	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co. Inc.	Grace Tarpon Investors, Inc.	G.C. Limited Partners I, Inc.	Monolith Enterprises, Incorporated
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	5,824,284	(101,989)	(1,119,103)	10,284,124	330	(2,417,714)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 5,824,284	\$ (7,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
Total Current Liabilities	-	-	-	3	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	3	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(110)	-	(110)	(560)	(560)	(450)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(110)	-	(110)	(560)	(560)	(450)
Total Liabilities	(110)	-	(110)	(557)	(560)	(450)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(9,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	5,824,394	(7,966)	(1,118,993)	10,284,682	890	(2,417,264)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 5,824,284	\$ (7,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Properties and equipment, net	-	-	-	-	-	1,184,871
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ (26,312,455)	\$ (5,132,933)	\$ (3,350,634)	\$ (2,509,849)	\$ 840	\$ (45,742)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(818)	(110)	(210)	(110)	(30)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(818)	(110)	(210)	(110)	(30)
Total Liabilities	-	(818)	(110)	(210)	(110)	(30)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(45,812)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(45,712)
Total Liabilities and Shareholders' Equity (Deficit)	\$ (26,312,455)	\$ (5,132,933)	\$ (3,350,634)	\$ (2,509,849)	\$ 840	\$ (45,742)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	W.R. Grace Land Corporation	G.C. Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,333	-	(73,061)	(12,559,518)	174,205	(19,446,605)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	36,708,333	-	(73,061)	(12,559,518)	174,205	(19,446,105)
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	6,284,806	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
Total Assets	\$ 42,993,139	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 612,650	\$ (19,442,039)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	199	17,637
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	199	21,703
Long-term debt - DIP facility	-	-	-	-	438,134	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	438,333	21,703
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(803)	-	(110)	(265)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(803)	-	(110)	(265)	-	-
Total Liabilities	(803)	-	(110)	(265)	438,333	21,703
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	-	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	42,993,942	-	(72,951)	(12,559,253)	174,317	(19,463,742)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 42,993,139	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 612,650	\$ (19,442,039)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

May 31, 2003

	Creative Food N Fun Company	Grace PAR Corporation	Grace A,B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,479,269	6,345,361	810,290	(59,581,587)	(185)	(86,721)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	23,479,269	6,345,361	810,290	(59,581,587)	(185)	(86,721)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 23,479,269	\$ 6,345,361	\$ 810,290	\$ (59,581,587)	\$ (185)	\$ (86,721)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(879)	(300)	(310)	(355)	(185)	(110)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(879)	(300)	(310)	(355)	(185)	(110)
Total Liabilities	(879)	(300)	(310)	(355)	(185)	(110)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	23,480,148	6,345,661	810,600	(59,581,232)	-	(86,611)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 23,479,269	\$ 6,345,361	\$ 810,290	\$ (59,581,587)	\$ (185)	\$ (86,721)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II, Inc.	Grace H-G II, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,699	4,389,612	(15,750,664)	5,296,889	875,359	(5,264)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	352,712,699	4,389,612	(15,750,664)	5,296,889	875,359	(5,264)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 504,081,786	\$ (9,746,113)	\$ (15,750,664)	\$ 5,296,889	\$ 875,359	\$ (5,264)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(119)	(110)	-	(310)	(310)	(210)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(119)	(110)	-	(310)	(310)	(210)
Total Liabilities	(119)	(110)	-	(310)	(310)	(210)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(6,054)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	504,081,905	(9,746,003)	(15,750,664)	5,297,199	875,669	(5,054)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 504,081,786	\$ (9,746,113)	\$ (15,750,664)	\$ 5,296,889	\$ 875,359	\$ (5,264)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	Coalgrace II, Inc.	Graccoal II, Inc.	Graccoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	108,130	130,215,608	145,239,206	(81,115,113)	47,407,796	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	108,130	130,215,608	145,239,206	(81,115,113)	47,407,796	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 108,130	\$ 130,215,608	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	26,694,513	26,694,513	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	26,694,513	26,694,513	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(310)	2,333,023	2,333,123	(480)	(110)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(310)	2,333,023	2,333,123	(480)	(110)	-
Total Liabilities	(310)	29,027,536	29,027,636	(480)	(110)	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	100	124,473	1,000	-
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	-
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	108,440	101,188,072	116,211,570	(81,114,833)	47,407,906	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 108,130	\$ 130,215,608	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2003

	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	Reporting/Reclasses
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	-
Inventories	-	-	-	-	-
Deferred income taxes	-	-	-	-	(7,404,912)
Other current assets	-	-	-	-	-
Total Current Assets	-	-	-	-	(7,404,912)
Properties and equipment, net	-	-	-	-	-
Goodwill	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-
Deferred income taxes	-	-	-	-	(203,946,119)
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-
Investment in filing and non-filing entities	-	-	(1,317,802,717)	69,612,718	2,000,000
Other assets	-	-	(1,101,282)	-	-
Total Assets	\$ -	\$ -	\$ (1,318,903,999)	\$ 69,612,718	\$ (209,351,031)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Liabilities Not Subject to Compromise					
Current Liabilities					
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	5,000,000
Income taxes payable	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-
Other current liabilities	-	-	-	-	(18,104,912)
Total Current Liabilities	-	-	-	-	(13,104,912)
Long-term debt - DIP facility	-	-	-	-	-
Deferred income taxes	-	-	-	-	(203,946,119)
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	(217,051,031)
Liabilities Subject to Compromise					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-
Other liabilities	-	-	(100,000)	-	-
Total Liabilities Subject to Compromise	-	-	(100,000)	-	-
Total Liabilities	-	-	(100,000)	-	(217,051,031)
Shareholders' Equity (Deficit)					
Preferred Stock	-	-	-	-	-
Common Stock	-	-	(86,493,960)	-	-
Paid in capital	-	-	(1,194,370,000)	-	-
(Accumulated deficit)/Retained earnings	-	-	(37,940,039)	117,561,982	2,000,000
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	(47,949,265)	5,700,000
Total Shareholders' Equity (Deficit)	-	-	(1,318,803,999)	69,612,718	7,700,000
Total Liabilities and Shareholders' Equity (Deficit)	\$ -	\$ -	\$ (1,318,903,999)	\$ 69,612,718	\$ (209,351,031)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 May 31, 2003	
	COMBINED FILING ENTITIES
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 33,006,624
Accounts and other receivables, net	114,414,317
Receivables from/(payables to) filing and non-filing entities, net	36,191,787
Inventories	80,298,872
Deferred income taxes	20,219,017
Other current assets	19,146,622
Total Current Assets	303,277,240
Properties and equipment, net	390,114,071
Goodwill	14,499,090
Cash value of company owned life insurance, net of policy loans	86,842,893
Deferred income taxes	576,602,823
Asbestos-related insurance receivable	272,389,808
Loans receivable from/(payable to) filing and non-filing entities, net	511,646,175
Investment in filing and non-filing entities	-279,874,789
Other assets	88,691,966
Total Assets	\$ 2,523,938,855
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	
Liabilities Not Subject to Compromise	
Current Liabilities	
Short-term debt	\$ 30,000,000
Accounts payable	42,150,954
Income taxes payable	5,000,001
Asbestos-related liability expected to be disbursed within one year	0
Other current liabilities	40,397,045
Total Current Liabilities	117,548,000
Long-term debt - DIP facility	0
Deferred income taxes	-
Asbestos-related liability expected to be disbursed after one year	(0)
Other liabilities	240,278,436
Total Liabilities Not Subject to Compromise	357,826,436
Liabilities Subject to Compromise	
Debt, pre-petition plus accrued interest	543,643,312
Accounts payable	32,208,295
Income taxes payable	232,282,836
Asbestos-related liability	969,709,634
Other liabilities	554,531,343
Total Liabilities Subject to Compromise	2,332,375,421
Total Liabilities	2,690,201,857
Shareholders' Equity (Deficit)	
Preferred Stock	112
Common Stock	772,474
Paid in capital	432,384,490
(Accumulated deficit)/Retained earnings	(118,285,342)
Treasury stock, at cost	(136,091,108)
Accumulated other comprehensive loss	(347,043,628)
Total Shareholders' Equity (Deficit)	(166,263,001)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,523,938,855

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

W. R. Grace & Co. - Conn Status of Postpetition Taxes MOR-4 May 31, 2003				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ 22,855	\$ 2,488,220	\$ (2,511,075)	\$ -
FICA - Employee	15,353	1,310,448	(1,322,372)	3,429
FICA and payroll- Employer	1,257,466	1,310,448	(1,504,063)	1,063,851
Unemployment	-	55,856	(55,856)	-
Other	-	-	-	-
Total Federal Taxes	\$ 1,295,674	\$ 5,164,972	\$ (5,393,366)	\$ 1,067,280
State and Local				
Withholding	\$ 7,380	\$ 767,717	\$ (773,517)	\$ 1,580
Sales & Use	1,488,841	385,834	(381,166)	1,493,509
Property Taxes	1,904,585	754,274	(305)	2,658,554
Other	-	-	-	-
Total State and Local	\$ 3,400,806	\$ 1,907,825	\$ (1,154,988)	\$ 4,153,643
Total Taxes	\$ 4,696,480	\$ 7,072,797	\$ (6,548,354)	\$ 5,220,923

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.